



MD AND JMD'S MESSAGE

Building momentum for a sustainable future

Dear Shareholders,

It gives us immense pleasure to write to you at the end of yet another eventful year for Sagar Cements, as we review our performance and progress through the lens of responsibility and sustainability. In FY 2025, we remained steadfast in our approach, focused on strengthening our foundations to create sustained long term value for all our stakeholders. We have established a well-defined growth strategy aimed at boosting growth momentum, building a resilient model and integrating ESG into our core operations, as we continue to expand our manufacturing capacity.

Performance overview

While the overall industry faced margin pressures due to low demand post the general elections and extreme weather conditions, revival in demand gradually, during the second half helped us in protecting our market share on YoY basis and build momentum for the future. Our consolidated revenue stood at ₹ 2,258 Crores, Cement

sales volumes stood at 5.51 Million tonnes, EBITDA was ₹ 141 Crores, and PAT stood at ₹ (217) Crores.

Our capacity utilisation remained at 54% during FY 2025 which is at par with FY 2024 utilisation levels.

We remain focused on reducing our GHG emissions leveraging latest technologies, investing in renewable and green energy, increasing use of alternate fuels and resources, optimising energy consumption and green transportation. We have process-expert system softwares and automation technology products to ensure real-time monitoring and predictive maintenance at our plants. We also have AI & Machine learning, operating as a pilot. All these efforts shall help us in our continued momentum for sustainable growth.



S. Sreekanth Reddy
(JMD)

Dr. S. Anand Reddy
(MD)



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In FY 2025, we achieved significant milestones in our environmental initiatives. We reduced our Greenhouse gas emission intensity by 2.7% and Utilised approximately 15.1 lakh metric tonnes of waste, demonstrating our commitment to minimising our ecological footprint.

Ensuring responsible growth

Our journey towards responsible growth is anchored in our ESG Vision 2030, which emphasises a positive transformation of the environment around us, the people amidst us and the conduct among us. This vision guides our strategy and operations, ensuring that every decision we make contributes to a sustainable future.

We are consistently increasing the share of renewable energy in our total energy consumption mix. This shift reduces our carbon footprint and aligns with our longterm sustainability goals.

In January 2025, we have successfully commissioned a 6 MW Solar Power plant at the Gudipadu Unit. Another 6 MW Solar Power plant is under construction at our Dachepalli unit. Our water management practices are equally robust, and we are three times waterpositive organisation.

Concurrently, our efforts to nurture an engaged and motivated workforce are reflected through concerted efforts for employee well-being. We have also implemented an occupational health and safety management system to prioritise the health and safety of our people.

Meanwhile, we have engaged in several initiatives to create a lasting impact on society through our community development efforts in preventive healthcare and promotion for safe drinking water, training and education, training and promotion of sports, and rural development. The guidance and oversight of our Board Risk management and ESG Committee ensures effective implementation of various ESG principles governing sustainability practices at different levels of the organisation. Through monthly ESG reviews and tracking of ESG Roadmap performance, we are driving responsible operations.

Looking ahead

Moving forward, we remain committed to expanding our capacity responsibly, enhancing our operational efficiency and continuing our journey towards net-zero emissions. We believe, initiatives to lower freight costs through shortening of lead

distances, decreasing the clinker factor, upgrading our assets and optimising our energy mix will effectively generate long-term value for all our stakeholders. We are confident that by adhering to our ESG principles and embracing innovation, Sagar Cements will continue to lead the way in responsible growth, building on its rich legacy of value creation.

We would like to thank our employees, partners and stakeholders for their unwavering support and encouragement. Looking ahead, we are building a sustainable growth trajectory that keeps Sagar Cements perfectly poised to explore emerging opportunities while prioritising sustainability at every step of the way.

Best regards,

Dr. S. Anand Reddy
(MD)

S. Sreekanth Reddy
(JMD)